



December 6, 2016

BY ECFS

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Gray Television Licensee, LLC, Petition for Modification of the Satellite Television Market for WSAW-TV, Wausau, Wisconsin, MB Docket No. 16-293

Dear Ms. Dortch:

DISH Network L.L.C ("DISH") submits the attached redacted response ("DISH Response") to the data requests in the Media Bureau's letter ("Letter")¹ dated November 3, 2016 in the above-referenced proceeding. DISH has denoted with black overlays () any information that it has deemed confidential under the Request for Confidential Treatment pursuant to Sections 0.457 and 0.459 of the Commission's rules² that accompanied the DISH Response, and has redacted this information from this version filed publicly with the Commission. The confidential, unredacted version of the DISH Response was filed December 5, 2016 under separate cover with the Secretary's office.

Please contact me with any questions.

Respectfully submitted,

/s/____

Alison Minea
Director & Senior Counsel,
Regulatory Affairs
DISH Network L.L.C.

Enclosure

cc: Steven A. Broeckaert, Media Bureau Evan Baranoff, Media Bureau

¹ Letter from Steven A. Broeckaert, Media Bureau, FCC, to Alison A. Minea, DISH, MB. Docket No. 16-293, MB Docket No. 15-71, November 3, 2016.

² 47 C.F.R. §§ 0.457, 0.459.



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VIA ECFS

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re: Gray Television Licensee, LLC, Petition for Modification of the Satellite Television Market for WSAW-TV, Wausau, Wisconsin, MB Docket No. 16-293

REDACTED FOR PUBLIC INSPECTION

Dear Ms. Dortch:

DISH Network L.L.C. ("DISH") respectfully provide s this response to the data requests in the Media Bureau's letter ("Letter")¹ dated November 3, 2016 in the above-referenced proceeding to the best of its current knowledge, infor mation and belief. As the Letter notes, Gray Television Licensee, LLC ("Gray") has fileda Petition seeking to modify the local satellite carriage television market of WSAW-TV, W ausau, Wisconsin (the "Station" or "WSAW") to include two satellite communities -- Ashlan d and Iron counties in W isconsin (together, the "Counties") -- located within the Duluth-Superior Designated Market Area ("DMA"). The Media Bureau has requested further information concerning DISH's Feasibility Certification filed August 19, 2016 pursuant to 47 C.F.R § 76.59(e).

1. Total number of customers in each county.

In Ashland County, DISH has a total of customers as of November 16, 2016.

In Iron County, DISH has a total of customers as of November 16, 2016.

2. Customer revenue for each county.

For the quarter ending September 30, 2016, DISH's pay-TV average revenue per user ("ARPU") was \$89.44, which can be multiplied by the customer totals provided in response to Question #1.

¹ Letter from Steven A. Broeckaert, Media Bureau, FCC, to Alison A. Minea, DISH, MB. Docket No. 16-293, MB Docket No. 15-71, November 3, 2016.

3. List and describe operational and billing changes referenced in bullet 7 of your Feasibility Certification, including the costs associated with such changes.

As explained in DISH's Feasibility Certification, only a subset of DISH customers in the Counties can receive WSAW using their current satellite antenna and in-home equipment. Among other things, DISH would need to undertake technical development work for its IT and billing systems in order to distinguish between DISH customers who can receive WSAW and those who cannot. DISH would then need to develop a method for authorizing receipt of WSAW only for those customers whose current satellite antenna and in-home equipment allow them to see the channel.

And, as stated in our Feasibility Certification, attempting to target the provision of WSAW to the subset of DISH subscribers in the Counties who might be able to receive it would cause customer confusion and frustration. For example, one DISH subscriber might be able to receive the Station while her neighbor could not. This, in turn, could lead to a poor customer service experience and a burden on DISH if a subscriber requested to have a technician sent to replace equipment at DISH's expense in order to receive service from a different orbital location. Among other things, DISH will bear a direct cost each time a customer in the Counties calls in to ask for information about why she is unable to receive WSAW when her neighbor does.

In addition, if DISH were to spend substantial capital to change equipment for hundreds of customers in the Counties due to the outcome of this proceeding, it would set a troubling precedent for any future market modifications, leaving DISH facing future business uncertainty about additional costly projects that are difficult to plan and budget for. As DISH stated in its Feasibility Certification, "it would be 'technically infeasible' and 'economically infeasible' pursuant to 47 C.F.R. § 76.59(e) for DISH to manipulate its systems to identify and customize the provision of the Station to the subset of DISH subscribers in the Counties who might be able to receive it, and where applicable to send a truck and technician to DISH subscribers in the Counties who do not receive service from the 129° W.L. orbital slot today."

4. Total number of customers needing an adjustment of existing equipment in order to effectuate carriage of the Station in the county.

See response to Question #5.

5. Total number of customers needing replacement of existing equipment/dish in order to effectuate carriage of the Station in the county.

Ashland County
DISH has a total of customers in Ashland County, WI as of November 16, 2016
These customers can be further subdivided into (i) customers who receive local
broadcast stations from DISH via satellite, and (ii) DISH customers who do not.

Customers Who Receive Local Broadcast Stations from DISH

- Of total DISH customers in Ashland County:
 - customer receive local broadcast stations from DISH, and today receive stations from the Duluth DMA.
 - of those do not require a service visit or equipment upgrades in order to receive WSAW from DISH. This particular subset of customers are those that both (a) have MPEG-4 capable STBs, and (b) have a satellite dish that is set up to receive service from the 129° W.L. orbital slot.
 - customers would need a service visit and would require at least one set-top box ("STB") in their home to be replaced with a different STB.
 - customers would require a service visit and the replacement of their existing satellite dish with a new satellite dish.
 - customers would need <u>both</u> an STB replacement and a satellite dish replacement.

<u>Customers Who Do Not Receive Local Broadcast Stations from DISH</u>

Of the Ashland County customers, DISH customers do not take local broadcast stations from DISH, and DISH is uncertain whether each such customer would choose to begin taking local stations in the event that WSAW was added to the channel lineup for the Counties. Of those DISH customers:

- customers could receive both the Duluth local broadcast stations plus WSAW without a service visit or any equipment upgrades. This particular subset of customers are those that both (a) have MPEG-4 capable STBs, and (b) have a satellite dish that is set up to receive service from the 129° W.L. orbital slot.
- customers would need a service visit and would require at least one STB in their home to be replaced with a different STB.
- customers would require a service visit and the replacement of their existing satellite dish with a new satellite dish.
- customers would need <u>both</u> an STB replacement and a satellite dish replacement.

Iron County

DISH has a total of customers in Iron County, WI as of November 16, 2016. These customers can be further subdivided into (i) customers who receive local broadcast stations from DISH via satellite, and (ii) DISH customers who do not.

Customers Who Receive Local Broadcast Stations from DISH

- Of total DISH customers in Iron County:
 - customers receive local broadcast stations from DISH, and today receive stations from the Duluth DMA.
 - of those do not require a service visit or equipment upgrades in order to receive WSAW from DISH. This particular subset of customers are

those that both (a) have MPEG-4 capable STBs, and (b) have a satellite dish that is set up to receive service from the 129 W.L. orbital slot.

- customers would need a service visit and would require at least one STB in their home to be replaced with a different STB.
- customers would require a service visit and the replacement of their existing satellite dish with a new satellite dish.
- customers would need <u>both</u> an STB replacement and a satellite dish replacement.

Customers Who Do Not Receive Local Broadcast Stations from DISH

Of the DISH customers in Iron County, DISH customers do not take local broadcast stations from DISH, and DISH is uncertain whether each such customer would choose to begin taking local stations in the event that WSAW was added to the channel lineup for the Counties. Of those DISH customers:

- customers could receive both the Duluth local broadcast stations plus WSAW without a service visit or any equipment upgrades. This particular subset of customers are those that both (a) have MPEG-4 capable STBs, and (b) have a satellite dish that is set up to receive service from the 129° W.L. orbital slot.
- customers would need a service visit and would require at least one STB in their home to be replaced with a different STB.
- customers would require a service visit and the replacement of their existing satellite dish with a new satellite dish.
- customers would need <u>both</u> an STB replacement and a satellite dish replacement.
- 6. Total number of customers needing installation of new equipment/ second dish in order to effectuate carriage of the Station in the county.

See response to Question #5.

7. Total number of customers needing equipment changes (adjustment or replacement of existing dish or installation of second dish) in order to effectuate carriage of the Station in the county.

See response to Question #5.

8. Total number of customers that could receive the Station without any equipment changes (adjustment or replacement of existing dish or installation of second dish).

See response to Ouestion #5.

9. Cost of a service call, including transportation, labor, and materials to adjust	existing
equipment. Describe how these costs are calculated.	

See response to Question #10.

Service Call and Labor:

10. Cost of a service call, including transportation, labor, and materials to replace existing equipment / dish. Describe how these costs are calculated.

Based on DISH's current internal figures,
Materials: In terms of materials, DISH would incur the following costs in a service visit to a customer in one of the Counties to enable them to receive WSAW:
• Where a satellite dish replacement is needed, DISH would incur a cost of approximately for each metal satellite dish and about for each low-noise block converter with feedhorn (LNBF).
• Where a set-top box replacement is needed, DISH would incur a variety of cost scenarios depending on each impacted subscriber's current in-home equipment. Upgrading subscribers in the Counties to receive WSAW who cannot receive it today will require DISH to switch out each subscriber's MPEG-2 STB for STBs that can receive MPEG-4 signals. In general, when DISH conducts upgrades
of this kind,

There can be no question that such costs make such upgrades "economically infeasible," pursuant to 47 C.F.R. § 76.59(e).

In addition to the direct costs discussed above, each time DISH sends a technician to change out equipment in a subscriber's home, there is an incalculable lost opportunity cost because the technician is not installing a new customer or answering a trouble call from an existing customer. There is, moreover, an incalculable cost associated with customer confusion, frustration, loss of goodwill, and inconvenience associated with having to coordinate a service call and plan to be at home to meet the technician.

11. Cost of a service call, including transportation, labor, and materials to install new equipment / second dish. Describe how these costs are calculated.

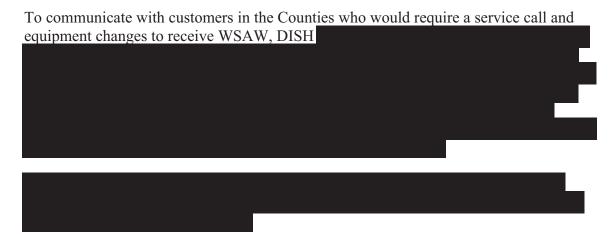
See response to Question #10.

12. Costs of service calls that combine equipment changes in questions 9, 10 &/or 11 (adjustment or replacement of existing dish or installation of second dish). Describe how these costs are calculated.

See response to Question #10.

13. Costs to inform customers of needed equipment changes in order to receive the Station (email, telephone consultation, marketing, etc.). Describe how these costs are calculated.

In general, the overall cost of communicating with customers about the need to send a truck and technician to their home can vary widely depending on, among other factors, (a) how quickly DISH needs the customer to respond and schedule the service visit, (b) the response rate to DISH's initial communication efforts and the type and quantity of follow-up communications needed, and (c) the total number of customers being targeted.



DISH cannot predict the exact cost to inform subscribers in the Counties of needed equipment changes, because DISH cannot predict how rapidly the impacted subscribers will respond to DISH's various attempts to contact them and schedule service calls. There is, moreover, an incalculable cost associated with customer confusion and frustration associated with having to explain the need for a service visit to the customer, and the possible impact to customer goodwill in having to accommodate a service visit, as discussed above.

- 14. Provide estimates for the current year for the following costs and describe how these costs are calculated:
 - a. Labor Cost associated with service, repair, and replacement for customer equipment.
 - b. Communication with customers (for various reasons, such as technical support).
 - c. Transportation costs for equipment servicing.
 - d. Replacement and maintenance of customer equipment.

See responses to Question #10 and 13.

15. According to DISH's certification, WSAW-TV is carried on the 129° W.L. orbital slot. Confirm and list all stations and/or channels (with network affiliations) carried on the 129° W.L. orbital slot.

Please refer to Appendix A, attached.

16. List which spot beam(s)/orbital slot(s) carry the local broadcast stations for the county. If more than one, indicate which local broadcast stations are on which spot beams/orbital slots.

The Counties are currently assigned by Nielsen to the Duluth, Minnesota DMA. As of November 16, 2016, DISH transmits all of the high definition ("HD") Duluth local broadcast stations from the 129° W.L. orbital slot, and the standard definition ("SD") Duluth local broadcast stations from the 110° W.L. orbital slot.

* * *

Please contact the undersigned if you have any questions.

Sincerely,	
<u>/s/</u>	
Alison A. Minea	

cc: Steven A. Broeckaert, Media Bureau, Steven.Broeckaert@fcc.gov, (202) 418-1075 Evan Baranoff, Media Bureau, Evan.Baranoff@fcc.gov, (202) 418-7142

DECLARATION OF ALISON A. MINEA

- I, Alison A. Minea, being over 18 years of age, swear and affirm as follows:
 - 1. I make this declaration using facts of which I have personal knowledge or based on information provided to me, and in connection with DISH Network L.L.C.'s ("DISH") response ("DISH WSAW Response") to the Federal Communications Commission Media Bureau's Letter dated November 3, 2016 ("Letter") requesting certain information regarding DISH's Feasibility Certification related to Gray Television Licensee, LLC's Petition seeking to modify the local satellite carriage television market of WSAW-TV, Wausau, Wisconsin, to include Ashland and Iron counties in Wisconsin.
 - 2. I am currently the Direct and Senior Counsel, Regulatory Affairs for DISH. In that capacity, I am responsible for, among other things, overseeing DISH's federal regulatory affairs and its written correspondence with the Commission.
 - 3. Unless otherwise stated, the information requested by the Letter that is in DISH's possession, custody, control, or knowledge has been produced.
 - 4. All documents that are being provided in response to the Letter are true and accurate copies of the original documents.

The foregoing declaration has been prepared using facts of which I have personal knowledge or based upon information provided to me. I declare under penalty of perjury that the foregoing is true and correct to the best of my current information, knowledge, and belief.

Executed on December 5, 2016

Alison A. Minea

Director and Senior Counsel,

Regulatory Affairs

DISH Network L.L.C.

Appendix A: Local Broadcast Stations Transmitted from the 129 W.L. Orbital Location

[ATTACHMENT REDACTED IN ITS ENTIRETY]